

AOT in Action

TOURISM WORKS FOR ARIZONA!

Issue 105 – April 24, 2006

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from the Director:

Good morning.

Last week I was joined by Casey Ambrose, AOT's Director of Advertising & Fulfillment, in attending the first ever TravelCom Conference in New York City. TravelCom featured Technology experts and renowned speakers leading discussions and workshops crucial to both online and offline travel firms in areas of eCommerce, online marketing, distribution strategies, customer service, Customer Relationship Management (CRM) and emerging technologies. It was an incredible experience to join leaders in the online world to learn about the next generation of products, services, and ideas as more and more people are making their buying decisions online. In fact, according to data released at the conference, 35 percent of U.S. travelers are making transportation decisions online and 24 percent are booking accommodations online. As Arizona moves into the future generation of travel, it is vital for AOT keep current with these trends in order to continually meet consumer demand. I encourage you to read below for some additional highlights from the conference.

Have a great week.

Margie A. Emmermann Director

Margie A. Emmenam

Arizona Office of Tourism

AOT News Flash

Make the Visitors' First Impression a Grand One!

The Arizona Office of Tourism's Grand Impressions workshops series is in full swing and now is the time to register for a workshop near you. Those that attended the first workshop in Bullhead City were impressed by the program, with participants saying "This is the most enjoyable workshop I've ever been to," and "Every year these workshops are a great source of information." Grand Impressions workshops are a full day of education and training designed to empower tourism professionals by offering a Customer Service Training Program featuring: "How to Host International Visitors," a presentation on Arizona tourism attractions, and a mini-familiarization tour of an attraction in the workshop host's area, designed to provide first-hand knowledge of exciting Arizona destinations. The workshops are offered free of charge to travel counselors and hospitality professionals across the state. All workshops will be held from 8:15 a.m. to 5:00 p.m. Lunch will be provided. Below is a list of the remaining Grand Impressions workshops for this year:

Holbrook April 27, 2006 Payson April 28, 2006

Mesa May 5, 2006 (Full! Closed workshop!)

Sierra Vista May 12, 2006

Space is limited! To register, please contact Sarah Martins, Travel Counselor at the Arizona Office of Tourism, at (602) 364-3687 or smartins@azot.gov.

AOT Announces New In-state/Regional Marketing Program

AOT will be introducing a new In-state/Regional Program in Fiscal Year 2007 that will build upon the new brand architecture for AOT. For the past five years, AOT has allocated \$500,000 from the overall advertising budget to the Regional Tourism Advertising and Fulfillment Program. Two designated marketing regions have successfully participated in this program year-over-year; Northern Arizona and Southern Arizona, based on a formal bid process in which the four marketing regions outside of Phoenix and Central Arizona (Northern, Southern, North Central and Arizona's West Coast) were encouraged to participate. Because of requirements for the program, both Arizona's West Coast and North Central regions have been unable to participate in years past.

In FY07, AOT is redesigning this program to be inclusive of all four marketing regions outside of Phoenix and Central Arizona,* and providing additional dollars giving this new In-state/Regional Marketing Program a marketing budget of \$1 million for a yearlong marketing campaign and media schedule. The new program will also eliminate the need for each region to have any monetary contribution, maintain a Web site, or produce a collateral piece. AOT will facilitate all program aspects internally and will

solicit the input of communities in each region prior to the campaign launch. Quarterly meetings will also be held in order to evaluate and review the regional campaigns.

AOT will be working with *Arizona Highways* to produce a fulfillment piece for each region and will fulfill these pieces at no cost to the regions based on requests received through the In-state/Regional Marketing Program campaign efforts. AOT will also develop splash pages with a distinct URL that will include a brief overview of the region, suggested itineraries, a request form for collateral material and provide links to each community in that region for more information.

Please contact Casey Ambrose, cambrose@azot.gov for any additional information.

* Phoenix and Central Arizona will be represented through the Prop 302 initiative and will be incorporated into the overall in-state campaign.

Trippin' with AOT

AOT Highlights the "Canyons of Arizona" to Travel Writers

AOT Media Relations Manager Heather Koncilja is escorting eight domestic and international travel writers in the state this week for a "Canyons of Arizona" Familiarization Tour. In conjunction with Xanterra Parks & Resorts, the writers will spend three days at the Grand Canyon, exploring the state's most famous landmark by foot, by motor coach and of course with a tripod to capture all of the incredible images. After the Grand Canyon, the group will also spend time at Marble Canyon, taking in the corkscrews of Antelope Canyon, hiking into Walnut Canyon, and the week will be capped off with a scenic drive through Oak Creek Canyon. Journalists participating in this trip come from the U.S., Canada, Germany, Mexico and Scotland and contribute to a variety of newspapers and magazines. For more information, contact Heather Koncilja at hkoncilja@azot.gov or 602-364-3698.

Industry News

Summer Vacation Costs on the Rise

Travelers won't see any relief in the cost of taking a vacation this summer, with the overall cost increasing by 5.4 percent, according to AAA. A family of two adults and two children can expect to pay an average \$261 per day for food and lodging, according to the AAA survey. "Rate increases for lodging are mostly a result of supply and demand, especially in major markets," said Michael Petrone, director, AAA Tourism Information Development. "For both lodgings and restaurants, rising energy costs as well as salary and benefit costs are certainly having an impact," he said. (Special to Travel Advance)

From TravelCom 2006

Preliminary data released at the TravelCom 2006 conference in New York by the Travel Industry Association and D.K. Shifflet & Associates on Wednesday show that last year, for the first time, more trips were booked online than by any other method. In 2005, 19 percent of all U.S. resident travelers traveled by common carrier (plane, train, bus, ship). Transportation reservations for more than one-third (35%) of these travelers were made online, an increase of 25 percent from the year before. The next most common method was calling the transportation carrier 800 telephone numbers, but such usage was down 16 percent from 2004. Travel agents assisted 4 percnet of all travelers who made transportation reservations in 2005, about the same (5%) in 2004. Accommodations bookings followed a similar pattern. One-quarter (24%) of travelers who booked lodging reservations did so online in 2005, up 9 percent from the year before. Hotel chain Websites were used most often to make Internet reservations, followed by other online booking services, such as online travel agencies. Nearly as many travelers booking lodging reservations used chain 800 numbers, but this was down 5 percent from 2004. Details at 202-408-2183. (Special to Travel Advance)

Forrester Research and the Travel Industry Association released the results of a new joint survey of 2,500 online travelers at the TravelCom 2006 Conference in New York. The survey found that 71 percent of all U.S. households will be online by the end of the year; 78 percent will be online by 2010. Some 72 percent of leisure traveler households are currently online. Of that number, 35.2 million households are booking travel online, spending approximately \$74.4 billion. An additional 20.3 million households are researching travel online, but will buy offline. According to Henry Harteveldt, vice president-travel research for Forrester, consumers are increasingly frustrated by some of the restrictions of current online travel Websites. (ModernAgent.com)

"Room Sharing" Gains Popularity on Business Trips

While the sharing of hotel rooms was once largely limited to academia and nonprofit groups on a shoestring, the idea has begun to spread through corporate America, says Bjorn Hanson, an analyst for PricewaterhouseCoopers. "Just in the last year, we've been hearing about a number of companies that are requiring employees to share rooms on trips," he said. Most do it to combat hotel costs, which are rising in most large cities. For example, PwC predicts that the average nightly rate for a hotel room in Manhattan will be \$244.79 this year, up 9.5% from last year. Rising occupancy rates are also forcing companies that send large teams to conferences or training sessions to bunk together, Hanson said. (Page C5, Wall Street Journal)

Hawaii Begins Major PR Blitz

Hawaii's major tourism marketing office has launched a public-relations campaign to try to reverse any damage from recent news reports about Hawaii's record rainfall, a dam failure and the sewage spill that closed Waikiki beaches. The Hawaii Visitors and Convention Bureau, which markets Hawaii to North America, sent a news release to more than 100 media outlets, mostly on the Mainland. The HVCB also plans more PR efforts based on market conditions, said President and CEO John Monahan. Monahan said the HVCB has also been in touch with travel trade media, travel agents and

wholesalers and noted that the Hawaii Tourism Authority last week allocated \$400,000 for airline and wholesaler cooperative programs. He said inquiries to the HVCB have subsided and visitor arrivals are "pretty strong." (Honolulu Advertiser.com/Business, 4/18)

Las Vegas has Record-Breaking February

Las Vegas narrowly missed the 3 million visitor mark in February, the first time in a year the destination fell short of that threshold. Still, the month's nearly 2.98 million visitors were enough to make this the busiest February on record, up 0.9% from a year ago. In the first two months of the year, more than 6.15 million guests visited Las Vegas, according to the Las Vegas Convention and Visitors Authority. That's a 2.6% jump from last year, which ended with a record annual total of nearly 38.6 million visitors. (Las Vegas Review-Journal.com/Business, 4/13)

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